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EIGHTY-SECOND REPORT

Lehigh Valley Railroad Company

For the Year Ended December 31, 1935



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Lehigh Valley Railroad Company

Board of Directors

JAMES F. BELL	THOMAS H. McINNERNEY
COLBY M. CHESTER	EFFINGHAM B. MORRIS, JR.
MORRIS L. CLOTHIER	NORMAN B. PITCAIRN
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EDWARD E. LOOMIS, Ex-Officio	

Officers

E. E. LOOMIS	PRESIDENT
C. E. HILDUM	EXECUTIVE VICE PRESIDENT
JOHN DUFFY	VICE PRESIDENT—TRAFFIC
G. H. FOSTER	VICE PRESIDENT—OPERATION
R. W. BARRETT	VICE PRESIDENT AND GENERAL COUNSEL
H. R. GERMAN	SECRETARY AND TREASURER
A. F. BAYFIELD	COMPTROLLER



LEHIGH VALLEY RAILROAD COMPANY

EIGHTY-SECOND REPORT

Philadelphia, Pa., April 2, 1936.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors submits herewith its report for the year ended December 31, 1935.

INCOME

Total Operating Revenues	\$40,641,556.78
Total Operating Expenses	31,967,409.39
Net Operating Revenue	\$ 8,674,147.39
Railway Tax Accruals	\$2,114,406.24
Uncollectible Railway Revenues	19,689.13
Equipment Rents—Net	1,286,232.86
Joint Facility Rents—Net	271,071.93
	3,691,400.16
Net Railway Operating Income	\$ 4,982,747.23
Other Income	1,028,795.89
Total Income	\$ 6,011,543.12
Deductions from Income	7,855,344.22
Net Income—Deficit	\$ 1,843,801.10

PROFIT AND LOSS

Balance, December 31, 1934	\$36,314,836.33
Transferred from Income	1,843,801.10
Track and Structures Retired	311,625.03
Balance, December 31, 1935	\$34,159,410.20

Satisfactory results in 1935 were made difficult by conditions beyond the control of the management. While gross revenues increased 2% over 1934 and were the largest since 1931, increased costs of approximately \$2,500,000 could not be avoided. Employee

LEHIGH VALLEY RAILROAD COMPANY

payrolls were \$1,409,000 greater, because of the mandatory restoration of the remaining 7½% of the 10% wage reduction made on February 1, 1932. Higher prices for fuel and other materials, and flood losses amounted to more than \$1,000,000. Despite these extraordinary items, substantial reductions in normal expenses in all departments made possible the best showing since the beginning of the business depression in 1930.

On the evening of July 7, 1935, a sudden storm of great violence swept over the central part of New York State with 8.5 inches of rainfall in the ensuing twenty-four hours. The resultant floods caused great damage to your Company's tracks and property in that territory. In 287 places tracks were washed out and 69 landslides covered the right of way. Twenty bridges and culverts were partly or wholly destroyed. The cost of restoring the damaged tracks and structures alone was more than half a million dollars.

Reconstruction Finance Corporation loans amounting to \$5,500,000, which became due during the year, were extended as shown on page 11.

At the close of the year the Railroad Credit Corporation loan had been reduced to \$915,963. At the same time your Company had \$726,056 on deposit with the Corporation, under the Marshalling and Distributing Plan, described in previous reports.

Outstanding Equipment Trust obligations of your Company were reduced during 1935 by \$469,000, while payments amounting to \$223,000 were made on Public Works Administration notes.

The First Mortgage 4½% bonds of the Easton & Northern Railroad Company, a subsidiary, in the amount of \$300,000, matured November 1, 1935. Arrangements were made with the Trustee of the Mortgage and holders of bonds to extend them to November 1, 1937. Only \$45,500 of this issue are outstanding in the hands of the public.

In the last annual report reference was made to the purchase of 5 locomotives, 250 gondola cars and 1,350 box cars to be financed largely through a loan from the Public Works Administration. This equipment is now in service. Equipment Trust Certificates will be issued for a further P. W. A. Loan of \$1,755,000, to be used in building 1,000 coal cars in your Company's shops.

The Interstate Commerce Commission authorized the abandonment of 23 miles of single track branch line between East Ithaca and Spencer, N. Y., operation of which had proved to be unprofitable.

An agreement was made with the Erie Railroad Company giving it the right to joint use of the Lehigh Valley Passenger Terminal at Buffalo, N. Y.

The demand for elimination of grade crossings continues to be of grave concern. Under programs sponsored by states through

LEHIGH VALLEY RAILROAD COMPANY

which the Lehigh Valley operates, involving the use of Federal Emergency Relief funds, your Company was obliged to commit itself to an expenditure of over half a million dollars.

Recently enacted Federal legislation providing for pensions through an excise tax on railroads and an income tax on all their employees, effective March 1, 1936, will cost your Company about \$700,000 per year. In addition, every employee earning as much as \$300 per month must pay \$10.50 a month in this special income tax. Those earning lesser amounts pay in proportion. Suit has been instituted to test the constitutionality of these acts. Your Company has for years had a pension arrangement in effect, and furthermore, has afforded employees the benefit of Group Insurance and Relief Fund Plans, a substantial part of the cost of which is assumed by the Company.

Furthermore, the Social Security Act, if held constitutional, will mean an additional cost to your Company of about \$200,000 for 1936 for unemployment insurance taxes, being 1% of its entire payroll. The tax rate increases to 2% in 1937 and to 3% in 1938.

The policy of equipping passenger and freight cars and locomotives with modern devices, such as air-conditioning, auto-loading equipment, firebar grates and force-feed lubricators, to effect economies and improve the service, was continued.

Five miles of 136-lb. rail were laid and 177,749 creosoted ties were placed in tracks during the year. The roadbed is in excellent condition.

Fifty-five new industries were located along the line, forty-two of which are served by Lehigh Valley sidings.

Sixty-nine per cent. of the 1,812,806 sq. ft. of rentable space in your Company's Starrett-Lehigh Building, located opposite Lehigh Valley Pier 66, Hudson River, at 27th Street, New York City, and 82% of the 346,773 sq. ft. of space in the Bronx-Lehigh Building adjacent to our East 149th St. Station, New York City, are under lease for industrial purposes. Tenants of these buildings gave your railroad a substantial freight tonnage.

Mr. D. G. Baird, Secretary and Treasurer, died on July 24th. Mr. Baird had spent more than sixty-two years in the service of the Company, having been Secretary since February 18, 1903, and Treasurer since January 20, 1931. Mr. H. R. German was elected Secretary and Treasurer.

The thanks and appreciation of the management are due the officers and employees of the Company for their loyal and efficient service.

For the Board of Directors,

E. E. LOOMIS,
President.

LEHIGH VALLEY RAILROAD COMPANY

GENERAL BALANCE SHEET

ASSETS		
INVESTMENTS:		
In road.....(See Note below)	\$40,550,515.77	.....
In equipment	60,843,716.25	.....
		\$101,394,232.02
Improvements on leased railway property .....	.....	2,304,527.58
Miscellaneous physical property.....	.....	123,780.23
Investments in affiliated companies:		
Stocks	\$91,233,769.21	.....
Bonds	20,860,630.00	.....
Advances	10,009,342.70	.....
		122,103,741.91
Other investments:		
Stocks	\$826,966.62	.....
Bonds	39,909.45	.....
Notes	2,159,533.75	.....
Miscellaneous	623,608.72	.....
		3,650,018.54
Total investments.....	.....	229,576,300.28
CURRENT ASSETS:		
Cash	\$3,721,904.03	.....
Special deposits.....	192,237.34	.....
Loans and bills receivable.....	4,292.86	.....
Traffic and car-service balances receivable	1,111,461.30	.....
Net balance receivable from agents and conductors	680,126.29	.....
Miscellaneous accounts receivable.....	1,806,058.80	.....
Material and supplies.....	2,695,280.78	.....
Interest and dividends receivable.....	71,186.46	.....
Rents receivable.....	41,418.47	.....
Other current assets.....	13,122.82	.....
		10,337,089.15
Total current assets.....	.....	10,337,089.15
DEFERRED ASSETS:		
Working fund advances.....	\$134,035.67	.....
Insurance and other funds.....	134,799.60	.....
Other deferred assets	635,751.26	.....
		904,586.53
Total deferred assets.....	.....	904,586.53
UNADJUSTED DEBITS:		
Rents and insurance premiums paid in advance	\$20,874.05	.....
Other unadjusted debits.....	2,321,287.34	.....
		2,342,161.39
Total unadjusted debits.....	.....	2,342,161.39
TOTAL ASSETS.....	.....	\$243,160,137.35

NOTE:—The item Investment in Road represents only road property of Lehigh Valley Railroad Company proper (Phillipsburg, N. J., to Wilkes-Barre, Pa.). The total road and equipment investment of the system, including transportation subsidiaries, owned by your Company, is \$259,511,682.98.

LEHIGH VALLEY RAILROAD COMPANY

DECEMBER 31, 1935

LIABILITIES		
STOCK:		
Common stock.....	\$60,501,700.00	.....
Preferred stock.....	37,950.00	.....
Total stock outstanding.....		\$60,539,650.00
Grants in aid of construction.....		120,166.43
LONG-TERM DEBT:		
Funded debt.....	\$117,936,000.00	.....
Less—Funded debt held in treasury or pledged	28,000,000.00	.....
Liability under sub-lease of equipment, December 16, 1930.....	89,936,000.00	.....
Reconstruction Finance Corp'n loans	106,000.00	.....
Equip. Trust Certificates Series T, U & V	8,500,000.00	.....
Public Works Administration loan	3,967,000.00	.....
Non-negotiable debt to affiliated companies	1,777,000.00	.....
Total long-term debt outstanding.....	369,289.55	.....
CURRENT LIABILITIES:		104,655,289.55
Loans and bills payable.....	\$4,915,962.62	.....
Traffic and car-service balances payable	562,306.80	.....
Audited accounts and wages payable.....	2,510,134.88	.....
Miscellaneous accounts payable.....	305,786.89	.....
Interest matured unpaid.....	391,107.50	.....
Dividends matured unpaid.....	28,800.39	.....
Funded debt matured unpaid.....	1,000.00	.....
Unmatured interest accrued.....	695,208.02	.....
Unmatured rents accrued.....	503,791.01	.....
Other current liabilities.....	193,576.38	.....
Total current liabilities.....		10,107,674.49
DEFERRED LIABILITIES:		
Liability for provident funds.....	\$16,828.05	.....
Other deferred liabilities.....	555,649.16	.....
Total deferred liabilities.....		572,477.21
UNADJUSTED CREDITS:		
Tax liability.....	\$4,241,889.24	.....
Insurance and casualty reserve	75,000.00	.....
Accrued depreciation—Equipment	26,098,069.88	.....
Accrued depreciation—Miscellaneous physical property	61,337.10	.....
Other unadjusted credits.....	2,064,763.38	.....
Total unadjusted credits.....		32,541,059.60
CORPORATE SURPLUS:		
Additions to property through income and surplus.....	\$464,409.87	.....
Profit	34,159,410.20	.....
Total corporate surplus.....		34,623,820.07
TOTAL LIABILITIES.		\$243,160,137.35

LEHIGH VALLEY RAILROAD COMPANY

INCOME STATEMENT
For the Years Ended December 31, 1935 and 1934

	1935	1934	INCREASE OR Decrease
AVERAGE MILES OF ROAD OPERATED...	1,348.49	1,353.75	5.26
OPERATING REVENUES:			
Anthracite coal freight revenue....	\$12,514,980.41	\$12,607,370.50	\$92,390.09
Bituminous coal freight revenue....	1,231,520.59	1,146,077.67	85,442.92
Merchandise freight revenue....	21,664,992.92	20,709,444.22	955,548.70
Passenger revenue.....	2,345,197.29	2,468,175.66	122,978.37
Mail revenue.....	315,191.38	313,809.58	1,381.80
Express revenue.....	362,779.84	397,369.82	34,589.98
Other transportation revenue.....	1,653,503.89	1,670,661.42	17,157.58
Incidental revenue.....	553,390.46	553,617.31	226.85
Total Operating Revenues.....	\$40,641,556.78	\$39,866,526.18	\$775,030.60
OPERATING EXPENSES:			
Maintenance of way and structures.	\$3,196,055.04	\$2,960,673.70	\$235,381.34
Maintenance of equipment.....	7,284,074.85	7,232,180.55	51,894.30
Traffic expenses.....	1,329,522.53	1,307,942.92	21,579.61
Transportation expenses	18,261,011.85	17,606,844.35	654,167.50
Miscellaneous operations.....	203,370.53	204,480.41	1,109.88
General expenses	1,694,291.46	1,611,228.24	83,063.22
Transportation for investment—Cr.	916.87	1,545.65	628.78
Total Operating Expenses.....	\$31,967,409.39	\$30,921,804.52	\$1,045,604.87
NET OPERATING REVENUE.....	\$8,674,147.39	\$8,944,721.66	\$270,574.27
DEDUCTIONS FROM REVENUE:			
Railway tax accruals.....	\$2,114,406.24	\$2,005,986.32	\$108,419.92
Uncollectible railway revenues.....	19,689.13	4,164.45	15,524.68
Equipment rents—net.....	1,286,232.86	1,280,281.34	5,951.52
Joint facility rents—net.....	271,071.93	315,298.86	44,226.93
NET RAILWAY OPERATING INCOME	\$4,982,747.23	\$5,338,990.69	\$356,243.46
OTHER INCOME:			
Misc. non-operating physical property	\$72,438.92	\$50,360.13	\$22,078.79
Separately operated properties-profit	80,143.16	28,462.17	51,680.99
Dividend income.....	184,161.65	407,437.89	223,276.24
Income from funded securities.....	491,526.70	165,283.86	326,242.84
Income from unfunded securities and accounts.....	39,007.45	23,314.44	15,693.01
Miscellaneous income.....	161,518.01	184,604.28	23,086.27
Total Other Income.....	\$1,028,795.89	\$859,462.77	\$169,333.12
Total Income.....	\$6,011,543.12	\$6,198,453.46	\$186,910.34
DEDUCTIONS FROM INCOME:			
Rent for leased roads.....	\$2,669,068.82	\$2,363,526.72	\$305,542.10
Miscellaneous rents.....	304,753.52	321,848.40	17,094.88
Miscellaneous tax accruals.....	115,096.95	417,584.45	532,681.40
Separately operated properties-loss	186.80	167,620.98	167,434.18
Interest on funded debt	4,500,908.43	4,353,398.27	147,510.16
Interest on unfunded debt	209,985.69	233,331.29	23,345.60
Miscellaneous income charges.....	285,537.91	232,284.55	53,253.36
Total Deductions from Income..	\$7,855,344.22	\$8,089,594.66	\$234,250.44
Net Income—Deficit	\$1,843,801.10	\$1,891,141.20	\$47,340.10
*Depreciation	\$2,317,801.27	\$2,303,191.68	\$14,609.59
Net Income Before Depreciation...	\$474,000.17	\$412,050.48	\$61,949.69

* Included in maintenance of equipment expenses.

Statement of Funded Debt, December 31, 1935

DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	PLEDGED	IN HANDS OF PUBLIC	INTEREST PAYABLE	ACCUED DURING YEAR
LEHIGH VALLEY RAILROAD COMPANY:						
First Mortgage Bonds.....	May 15, 1868	June 1, 1948 { Perpetual	....	\$5,000,000 10,062,000 2,538,000 39,639,000 20,597,000 12,000,000 106,000	4 1/2% 6 1/2% 4 1/2% 4 1/2% 4 1/2% 5 1/2% 5 1/2%	June and Dec. June and Dec. June and Dec. May and Nov. May and Nov. May and Nov. May and Nov.
Consolidated Mortgage Bonds.....	Nov. 13, 1873					\$200,000.00 603,720.00 114,210.00 1,885,560.00 931,336.00 600,000.00 7,655.93
*General Consolidated Mortgage Bonds.....	Sept. 30, 1903	May 1, 2003	}\$21,000,000 { \$24,400,000	622,000	5 %	Mar. and Sept.
Equipment Obligations.....	.....	Nov. 15, 1937	.....		
Equipment Trust Certificates Series T & U ..	.....	\$208,000, semi-annual to Mar. 1, 1937	.....		
Equipment Trust Certificates Series V	Dec. 14, 1934	\$161,000, semi-annual to Aug. 1, 1949	.....	3,345,000	4 %	Feb. and Aug.
Registered Serial Collateral Notes	Various	\$111,000, semi-annual to Aug. 1, 1943	.....	1,777,000	4 %	Feb. and Aug.
Reconstruction Finance Corporation Loans ..	.....	Apr. 29, 1938	.....	1,500,000	4 %	Apr. and Oct.
CONSOLIDATED REAL ESTATE COMPANY:	.....	Nov. 1, 1936	.....	3,000,000	4 %	May and Nov.
First Mortgage Bonds.....	.....	Jan. 1, 1938	.....	4,000,000	4 %	Jan. and July
Total Funded Debt and Interest.....	Feb. 1, 1906	Feb. 1, 1956	2,600,000	.....	4 %	Feb. and Aug.
	.....	.....	\$28,000,000	\$104,286,000	.....	.....
						\$4,500,908.43

* Amount of authorized issue, \$150,000,000.
† Excludes interest on securities pledged.

Guarantees and Rentals, December 31, 1935

FIRST MORTGAGE GUARANTIES	DATE OF ISSUE	DATE OF MATURITY	IN TREASURY OR PLEDGED	IN HANDS OF PUBLIC	GUARANTEES AND RENTALS	
					RATE PAYABLE	ACCUED DURING YEAR
Easton & Northern Railroad Co.	Oct. 7, 1895	Nov. 1, 1937	\$254,500	\$45,500	4 1/2%	\$13,500.00
Penna. & N. Y. Canal & R. R. Co., Consol.	Nov. 13, 1888	April 1, 1939	.....	4,000,000	4 1/2%	April and Oct.
Lehigh Valley Terminal Ry. Co.	Oct. 1, 1891	Oct. 1, 1941	.....	3,500,000	4 1/2%	April and Oct.
Greenville & Hudson Ry. Co.	April 1, 1897	April 1, 1941	3,000	4,000,000	4 %	April and Oct.
Irvington R. R. Co.	Feb. 1, 1906	Feb. 1, 1956	350,000	9,999,000	5 %	April and Oct.
The Lehigh Valley Rail Way Co.	June 23, 1890	July 1, 1940	125,000	.....	5 1/2 %	April and Oct.
Lehigh-Blo. Term'l Ry. Corp.	Nov. 1, 1916	Nov. 1, 1966	15,000,000	15,000,000	4 1/2 %	Feb. and Aug.
Middlesex Ry. Corp.	Aug. 26, 1892	Nov. 1, 1942	5,000,000	4,000,000	4 1/2 %	Jan. and July
Rochester Southern R. R. Co.	Nov. 1, 1895	Nov. 1, 1945	410,000	190,000	4 1/2 %	May and Nov.
Seneca County Ry.	Feb. 1, 1903	Feb. 1, 1983	425,000	.....	5 1/2 %	May and Nov.
The Lehigh & Lake Erie R. R. Co.	Mar. 1, 1907	Mar. 1, 1957	500,000	3,000,000	5 1/2 %	Feb. and Aug.
Lehigh Valley Harbor Terminal Ry. Co.	Feb. 1, 1924	Feb. 1, 1934	.....	10,000,000	4 1/2 %	Mar. and Sept.
Lehigh & New York R. R. Co.	Aug. 24, 1885	Sept. 1, 1945	.....	2,000,000	4 %	Feb. and Aug.
Total.....	.....	.....	\$7,065,500	\$48,734,500	.....	.....
RENTALS—LINES NOT OWNED:						
State Line and Sullivan Railroad Co.						\$2,614,750.00
Raritan Terminal and Transportation Co.						\$20,064.30
New York Central Railroad Co. (Tonawanda Junction to Suspension Bridge, N. Y., 15.76 miles)						2,000.00
Taxes charged as Rentals.....						4,254.24
Total Interest and Rentals.....						\$2,669,068.82

#Includes interest on securities in treasury or pledged.

LEHIGH VALLEY RAILROAD COMPANY

General Operating Results for the Years Ended December 31, 1935 and 1934

	1935	1934	Increase or Decrease	Per Cent.
TRAIN AND LOCOMOTIVE MILEAGE				
Revenue freight train miles—locomotive...	4,179,674	4,458,834	279,160	6.26
Revenue passenger train miles—locomotive...	1,739,349	1,860,908	121,559	6.53
Revenue milk and express train miles— locomotive	498,649	498,145	504	.10
Revenue mixed train miles—locomotive...	308,466	250,011	58,455	23.38
Revenue special train miles—locomotive...	1,036	1,690	654	38.70
Total revenue service train miles—loco- motive	6,727,174	7,069,588	342,414	4.84
Revenue passenger train miles—motor...	589,624	714,608	124,984	17.49
Revenue mixed train miles—motor...	19,366	26,212	6,846	26.12
Revenue special train miles—motor...	453	453		
Total revenue service train miles— motor	609,443	740,820	131,377	17.73
Total revenue service train miles.....	7,336,617	7,810,408	473,791	6.07
Helping and light freight locomotive miles.	695,970	665,488	30,482	4.58
Helping and light passenger locomotive miles	203,251	207,626	4,375	2.11
Helping and light mixed locomotive miles..	31,892	27,519	4,373	15.89
Helping and light special locomotive miles.	376	324	52	16.05
Total revenue service locomotive miles, ex- cluding switching and motor.....	7,658,663	7,970,545	311,882	3.91
Switching locomotive miles.....	3,807,769	3,867,219	59,450	1.54
Total revenue service locomotive miles, excluding motor	11,466,432	11,837,764	371,332	3.14
Non-revenue service locomotive miles.....	235,433	214,724	20,709	9.64
Per cent. helping and light of revenue serv- ice locomotive miles, excluding switch- ing and motor.....	12.16	11.30	.86	7.61
CAR MILEAGE				
Freight car mileage—loaded	135,563,296	135,130,760	432,536	.32
Freight car mileage—empty	72,431,480	78,805,093	6,373,613	8.09
Freight car mileage—caboose	4,516,223	4,718,907	202,684	4.30
Total freight car miles.....	212,510,999	218,654,760	6,143,761	2.81
Average number of loaded freight cars per train	31.01	29.01	2.00	6.89
Average number of empty freight cars per train	16.57	16.92	.35	2.07
Average number of all freight cars per train	48.62	46.95	1.67	3.56
Per cent. loaded of total car miles.....	63.79	61.80	1.99	3.22
Per cent. empty of total car miles.....	34.08	36.04	1.96	5.44
Per cent. caboose of total car miles.....	2.13	2.16	.03	1.39
Passenger car miles—including Pullman..	13,017,660	13,571,173	553,513	4.08
Baggage, dining, mail, express and milk car miles	11,627,544	11,850,741	223,197	1.88
Total passenger car miles.....	24,645,204	25,421,914	776,710	3.06
Average number of passenger train cars per passenger train	8.16	8.00	.16	2.00
Special revenue service car miles.....	16,189	24,310	8,121	33.41
Non-revenue service car miles.....	491,284	345,105	146,179	42.36

LEHIGH VALLEY RAILROAD COMPANY

General Traffic Results for the Years Ended December 31, 1935 and 1934

	1935	1934	INCREASE OR Decrease	PER CENT.
Average miles of road operated.....	1,348.49	1,353.75	5.26	.39
FREIGHT TRAFFIC				
Tons of revenue freight carried.....	17,881,789	17,667,660	214,129	1.21
Tons of company freight carried.....	1,802,593	1,844,904	42,311	2.29
Tons of all freight carried.....	19,684,382	19,512,564	171,818	.88
Tons of revenue coal carried one mile.....	1,239,603,627	1,243,026,843	3,423,216	.28
Tons of revenue merchandise carried one mile	2,074,079,383	2,008,869,462	65,209,921	3.25
Tons of company freight carried one mile.....	122,920,824	133,674,998	10,754,174	8.05
Tons of all freight carried one mile.....	3,436,603,834	3,385,571,303	51,032,531	1.51
Tons of revenue freight carried one mile per mile of road.....	2,457,329	2,402,139	55,190	2.30
Average distance revenue freight carried—in miles	185.31	184.06	1.25	.68
Revenue from freight.....	\$35,411,493.92	\$34,462,892.39	\$948,601.53	2.75
Average revenue per ton carried.....	\$1.98-031	\$1.95-062	\$.02-969	1.52
Average revenue per ton per mile—in cents.....	1.069	1.060	.009	.85
Freight revenue per mile of road operated..	\$26,260.11	\$25,457.35	\$802.76	3.15
Freight revenue per revenue freight train mile	\$8.10-240	\$7.39-954	\$.70-286	9.50
Tons of revenue freight per revenue freight train	758.19	698.22	59.97	8.59
Tons of all freight per revenue freight train	786.32	726.92	59.40	8.17
Tons of all freight hauled per revenue service locomotive mile, excluding switching ..	658.86	626.74	32.12	5.12
Average number of tons of all freight in each loaded car	25.35	25.05	.30	1.20
PASSENGER TRAFFIC				
Revenue passengers carried	878,409	965,450	87,041	9.02
Revenue passengers carried one mile	102,636,172	116,366,035	13,729,863	11.80
Revenue passengers carried one mile per mile of road	76,112	85,958	9,846	11.45
Average distance carried—in miles.....	116.84	120.53	3.69	3.06
Revenue from passengers.....	\$2,345,197.29	\$2,468,175.66	\$122,978.37	4.98
Average revenue per passenger—in cents.....	266.982	255.650	11.332	4.43
Average revenue per passenger per mile—in cents	2.285	2.121	.164	7.73
Average revenue from passengers per passenger train mile (excluding milk and express)	\$.95-102	\$.93-029	\$.02-073	2.23
Passenger service train revenue.....	\$3,907,084.81	\$4,107,568.67	\$200,483.86	4.88
Passenger service train revenue per mile of road	\$2,897.38	\$3,034.22	\$136.84	4.51
Passenger service train revenue per train mile (including milk and express).....	\$1.31-790	\$1.30-346	\$.01-444	1.11
Average revenue passengers per car.....	8	9	1	11.11
Average revenue passengers per train (including mixed)	42	44	2	4.55
REVENUES AND EXPENSES				
Freight and passenger revenue.....	\$37,756,691.21	\$36,931,068.05	\$825,623.16	2.24
Freight and passenger revenue per mile of road	\$27,999.24	\$27,280.57	\$718.67	2.63
Total operating revenues	\$40,641,556.78	\$39,866,526.18	\$775,030.60	1.94
Total operating revenues per mile of road.....	\$30,138.57	\$29,448.96	\$689.61	2.34
Operating expenses	\$31,967,409.39	\$30,921,804.52	\$1,045,604.87	3.38
Ratio of operating expenses to operating revenues	78.66%	77.56%	1.10%	1.42
Operating expenses per mile of road.....	\$23,706.08	\$22,841.59	\$864.49	3.78
Net operating revenue	\$8,674,147.39	\$8,944,721.66	\$270,574.27	3.02
Net operating revenue per mile of road.....	\$6,432.49	\$6,607.37	\$174.88	2.65

LEHIGH VALLEY RAILROAD COMPANY

Additions and Betterments, Entire System, Year Ended December 31, 1935

	EXPENDITURES AND CHARGES	RETIREMENTS	NET AMOUNT
Engineering	\$29,744.52	\$18,374.39	\$11,370.13
Land for transportation purposes....	96,022.19	5,065.87	90,956.32
Grading	228,373.29	153,094.43	75,278.86
Bridges, trestles and culverts.....	4,492.73	86,570.67	82,077.94
Ties	3,335.26	113,077.14	109,741.88
Rails	19,211.21	111,745.67	92,534.46
Other track material.....	20,947.96	44,330.16	23,382.20
Ballast	85,713.37	36,403.39	49,309.98
Track laying and surfacing.....	23,132.26	76,822.52	53,690.26
Right-of-way fences.....	9.02	.....	9.02
Crossings and signs.....	104,118.04	549.00	103,569.04
Station and office buildings.....	19,597.67	181,018.00	161,420.33
Roadway buildings	2,758.67	42,273.12	45,031.79
Water stations	8,063.47	11,027.00	19,090.47
Fuel stations	185.03	1,800.00	1,614.97
Shops and engine houses.....	6,826.74	53,360.31	60,187.05
Wharves and docks.....	8,478.15	6,965.00	1,513.15
Coal and ore wharves.....	948.17	32,107.76	31,159.59
Telegraph and telephone lines.....	8,262.51	4,450.29	3,812.22
Signals and interlockers.....	10,212.48	10,007.18	20,219.66
Power plant buildings .....	.....	75.61	75.61
Power distribution systems	512.50	.....	512.50
Power line poles and fixtures.....	171.35	.....	171.35
Roadway machines.....	.....	20,386.50	20,386.50
Assessments for public improvements.	4,801.67	.....	4,801.67
Shop machinery.....	8,424.56	93,909.61	85,485.05
Power plant machinery	3,503.77	161.50	3,665.27
Steam locomotives	275,430.53	.....	275,430.53
Freight train cars.....	3,109,222.66	7,320,904.57	4,211,681.91
Passenger train cars.....	32,211.47	194,040.14	161,828.67
Work equipment.....	82,918.88	136,753.09	53,834.21
Miscellaneous equipment.....	7,360.17	6,829.23	530.94
General expenditures.....	4,688.76	195.30	4,493.46
 Total.....	 \$4,145,581.10	 \$8,762,297.45	 \$4,616,716.35

LEHIGH VALLEY RAILROAD COMPANY

Classification of Tonnage for the Years Ended December 31, 1935 and 1934

COMMODITIES	1935		1934	
	TONS	PER CENT.	TONS	PER CENT.
Products of Agriculture	1,352,461	7.56	1,365,884	7.73
Animals and Products	452,812	2.53	538,114	3.05
Products of Mines	10,519,521	58.83	10,740,970	60.79
Products of Forests	238,628	1.34	215,875	1.22
Manufactures and Miscellaneous	5,041,065	28.19	4,519,343	25.58
Grand Total, Carload Traffic	17,604,487	98.45	17,380,186	98.37
All L.C.L. Freight	277,302	1.55	287,474	1.63
Grand Total Carload and L.C.L. Traffic	17,881,789	100.00	17,667,660	100.00



1935